



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.  
20250

FmHA AN No. 2101 (1951)

June 13, 1990

SUBJECT: Agricultural Credit Act of 1987 - Transaction  
Processing Guidance

TO: State Directors, District Directors  
and County Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to provide a processing guidance for transactions related to the Agricultural Credit Act of 1987 and FmHA Instruction 1951-S. This AN is to instruct County, District, and State Offices to use the Automated Discrepancy Processing System (ADPS) manual instead of Exhibit B to FmHA Instruction 1951-S. The intended outcome is to ensure that Farmer Programs Loan Servicing actions are consistent and processed properly.

COMPARISON WITH PREVIOUS AN:

This AN replaces FmHA AN 1974(1951), "Agricultural Credit Act of 1987 - Finance Office Interim Transaction Processing Guidance," dated August 29, 1989, which expired March 31, 1990, and FmHA AN 1934(1951), "Agricultural Credit Act of 1987 - Finance Office Interim Transaction Processing Guidance," dated June 7, 1989, which expired September 30, 1989. This AN amends FmHA AN 1982(1951) "Clarification Instructions for 3Q, 3R, and 8N ADP Transactions" dated September 27, 1989, which expired December 31, 1989.

IMPLEMENTATION RESPONSIBILITIES:

1. Transferring information from source documents to the Accounting System.

Exhibit B to FmHA Instruction 1951-S is not to be used to transfer information from source documents to the accounting system.

Expired FmHA AN No. 1934(1951) contained three attachments, Noncash Credit For Farmer Programs Loans Shared Appreciation Writedown (3R), Noncash Credit For Farmer Programs Loans Net

EXPIRATION DATE: December 31, 1990

Filing Instructions:  
Preceding FmHA  
Instruction 1951-S



Farmers Home Administration is an Equal Opportunity Lender.  
Complaints of discrimination should be sent to:  
Secretary of Agriculture, Washington, D.C. 20250

Recovery Buyout (3Q), and Noncash Credit For Farmer Programs Loans Single Family Housing Equity Recapture. Copies of these attachments can now be found in the ADPS documentation manual Volume 2, Book 3. These attachments are used as input forms when transferring information from source documents to the accounting system.

The 3Q input form is used in conjunction with Exhibit C, "Net Recovery Buyout Recapture Agreement," of FmHA Instruction 1951-S. The form and documentation for transaction are found in ADPS manual Volume 2, Book 3.

The 3R input form is used in conjunction with Exhibit D, "Shared Appreciation Agreement," of FmHA Instruction 1951-S. The form and documentation for transaction are found in ADPS manual Volume 2, Book 3.

The input form, Noncash Credit for Farmer Programs Loans Single Family Housing Equity Recapture is used in conjunction with Exhibit D, "Equity Recapture Agreement," of FmHA Instruction 1965-A, "Servicing of Real Estate Security for Farmer Programs Loans and Certain Note-Only Cases." The form and documentation for transaction are found in ADPS manual Volume 2, Book 3.

## 2. Equity Recapture Account Payments

Equity recapture account payments for Net Recovery Buyout, Shared Appreciation, and Noncash Credit For Farmer Programs Loans Single Family Housing Equity Recapture, are to be submitted to the Finance Office on Form FmHA 451-2, "Schedule of Remittances." The form must be marked as "equity recapture account payment" and coded as a miscellaneous collection (Code 21-Other). You will be notified when software is available to establish an equity recapture receivable (transaction code 3V). The payment is to be sent to the Finance Office and will be held in suspense until the software is completed.

## 3. Farmer Programs Deferrals

The ability to process a loan deferral to the accounting system will not be available until further notice. In the interim, you should use the following procedures:

- \*Process transaction code 1M, New Rates and Terms, to reamortize or reschedule the loan being deferred.

\*Establish a 51-S flag, transaction code 5G, Establish Descriptive Code, on the borrower account.

\*Any payments that have been submitted which apply to the loan that is pending deferral, should be marked as "loan pending deferral" and coded on Form 451-2 as a miscellaneous collection (Code 21-Other). You will be notified when software is available to establish a deferral, transaction code 5W, Record/Reverse Loan Deferral. Even though the software is not complete, payments on deferred loans should be transmitted to the Finance Office. The payments will be held in suspense until the time the software is complete.

If you have any questions, please contact Ann Eggleston of Farmer Programs Loan Servicing and Property Management Division at FTS 475-4009, or commercial (202) 475-4009.



LA VERNE AUSMAN  
Administrator

Sent by Time Delay Option to States at 2:00 pm on 6/14/90 to Districts at 4:00 on 6/14 and Counties on 6/15 by ASD. at 9:00 am